

	<b>Subject title: INTRODUCTION TO ECONOMETRICS</b>			
<b>Subject code:</b>	<b>Subject Status:</b>	<b>Semester:</b>	<b>Credit value:</b>	<b>Teaching load:</b>
MBS/MO8	Compulsory	V	6	3L+2T

<b>Study programme:</b> Academic Undergraduate Studies: Financial Management
<b>Responsible Staff:</b> Professor: Kruna Ratković, PhD; Teaching Assistant: Mirjana Čizmović, MSc
<b>Pre-requisite:</b> Nil
<b>Mode of study</b> Lectures, tutorials, consultations
<b>Assessment:</b> Mid-term test I – 20 points Mid-term test II – 20 points Final exam – 50 points Attendance – 10 points
<b>Objectives:</b> To acquire knowledge of the econometric methods which allow meeting three objectives of the econometrics, through the systematic way of connecting the principles of the economic theory with the case studies of economic systems: hypothesis evaluation, prediction of economic phenomena and help in making economic decisions.

### **SYLLABUS:**

- The concept of econometrics, steps in the econometric analysis;
- Distribution of probability;
- Statistical inference;
- Introduction to regression analysis;
- Classical simple linear regression model (CLRM)
- Inference in CLRM, prediction;
- Classical multiple linear regression model;
- Multicollinearity, Evaluation of linear constraints;
- Artificial variables, Evaluation of parameter stability;
- Heteroscedasticity and Autocorrelation;
- Basic methods in time series analysis;
- Applied Econometric Analysis (through examples).

### **READING LIST AND REFERENCES:**

- ❖ Gujarati, D., *Basic Econometrics*, Fourth Edition, McGraw-Hill, 2003;

- ❖ Pindyck R.S, Rubinfeld D.L: *Econometric Models and Economic Forecasts*, 2000;
- ❖ Maddala, G., S., *Introduction to Econometrics*, Third Edition, John Wiley & Sons, Chichester, 2004
- ❖ Dixit K. Avinash; *Optimization in Economic Theory*, 2nd Edition, Oxford University Press, Oxford, 1990.